

## A G E N D A



## Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	10738	Agenda Number	28.
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Meeting Date:	November 3, 2011
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Department:	Purchasing
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## Subject

Authorize award, negotiation and execution of a 36-month requirements service contract with SUCCESSFACTORS (USA), San Mateo, CA for the purchase of an Application Service Provider (ASP) performance management hosted software subscription and software maintenance and support services for Austin Energy in an estimated amount not to exceed \$778,593, with two 12-month extension options in an estimated amount not to exceed \$259,531 per extension option, for a total estimated contract amount not to exceed \$1,297,655.

## Amount and Source of Funding

Funding in the amount of \$259,531 is available in the Fiscal Year 2011-2012 Operating Budget for Austin Energy. Funding for the remaining 24 months of the initial contract period and extension options is contingent upon available funding in future budgets.

## Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:	Sole Source.
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Prior Council Action:	June 26, 2007 - Approved contract.
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For More Information:	Art Acuña, Senior Buyer/512-322-6307
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Boards and Commission Action:	Reviewed by the Electric Utility Commission.
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MBE / WBE:	This contract will be awarded in compliance with Chapter 2-9C of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified: therefore, no goals were established for this solicitation.
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Related Items:	
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## Additional Backup Information

On June 26, 2007, Successfactors was awarded a contract of three responses received via an RFP competitive process for an ASP hosted software subscription, implementation services, training including five years maintenance, and support. This system will provide selected data and automated tools necessary to analyze Austin Energy's (AE) capital workforce investment for the purpose of performing succession planning, human capital costing, organizational structure management, and workforce planning.

This contract is for a continued ASP hosted software subscription and software maintenance and support services for an additional three years, which will provide selected data and automated tools necessary to analyze Austin Energy's (AE) capital workforce investment for the purpose of performing succession planning, human capital costing, organizational structure management, and workforce planning. SuccessFactors affords AE an opportunity to provide a comprehensive package of several software subscriptions including Performance & Talent Management Solution; 360 Degree Review/Multi Rater; Total Goal Management Solution; Career Development Planning Solution and Talent & Succession Management Solution. The contract/agreement will provide 1634 users licenses to utilize the Talent Management Solution.

AE, the City of Austin's electric utility, expects retirement of a large number of its skilled power distribution workforce within the next five years. Currently, AE lacks the tools, data, and processes to proactively plan for workforce changes. Over the past five years, AE has moved its performance management process from a manual process to an automated process using SuccessFactors Talent Management System and the current information in the system is protected and confidential.

This contract is needed to ensure that AE doesn't lose the gains and investments made to date using the automated process. The current vendor solutions have been accepted and user adoption is improving. The software is proprietary and is not available from another source.